

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1001 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
2 paragraph and insert:
3 "SECTION 1. IC 2-5-29 IS ADDED TO THE INDIANA CODE AS
4 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
5 1, 2008]:
6 **Chapter 29. Property Tax Sunset Evaluation Committee**
7 **Sec. 1. The property tax sunset evaluation committee is**
8 **established.**
9 **Sec. 2. (a) The committee consists of nine (9) members, who**
10 **shall be selected as follows:**
11 **(1) Two (2) members shall be appointed by the speaker of the**
12 **house of representatives from the membership of that body.**
13 **(2) Two (2) members shall be appointed by the minority floor**
14 **leader of the house of representatives from the membership**
15 **of that body.**
16 **(3) Two (2) members shall be appointed by the president pro**
17 **tempore of the senate from the membership of that body.**
18 **(4) Two (2) members shall be appointed by the minority floor**
19 **leader of the senate from the membership of that body.**
20 **(5) One (1) member shall be appointed by the chairman of the**
21 **legislative council from the membership of that body.**
22 **(b) If during a particular year a member of the committee**
23 **ceases being a member of the body from which the member was**
24 **appointed, the individual's status as a member of the committee**

continues until December 31 of that year, at which time the individual's position on the committee becomes vacant. However, a committee member may be removed at any time by the appointing authority who appointed the committee member.

(c) If a vacancy exists on the committee, the appointing authority who appointed the former member whose position has become vacant shall appoint someone to fill the vacancy. However, the new member must be a member of the same body from which the former member was appointed.

(d) The speaker of the house of representatives and the president pro tempore of the senate may each appoint not more than two (2) persons to serve as nonvoting advisors to the committee. However, no person who is a member of the general assembly may serve as a nonvoting advisor to the committee. A nonvoting advisor may be removed at any time by the appointing authority who appointed the nonvoting advisor.

Sec. 3. (a) After January 1 but before May 1 of each year, the chairman of the legislative council shall designate one (1) member of the committee to serve as the committee's chairman during the calendar year in which the designation is made.

(b) Each member of, and each nonvoting advisor to, the committee is entitled to receive the same per diem, mileage, and travel allowances paid to persons who serve as legislative and lay members, respectively, of interim study committees established by the legislative council. The legislative services agency shall pay these allowances from the amounts appropriated for that purpose.

Sec. 4. (a) The committee shall study and investigate:

(1) property tax replacement options in view of the termination of property taxation in Indiana after December 31, 2011; and

(2) tax administration issues related to subdivision (1);
to formulate tax legislation to replace property taxes in Indiana.

(b) Each year on or before the due date for final reports by interim study committees, the committee shall submit a progress report on the committee's activities to the legislative council in an electronic format under IC 5-14-6. Before the expiration of the committee on the date specified in section 7 of this chapter, the committee shall submit a final report to the legislative council in an electronic format under IC 5-14-6. The final report of the committee must include:

(1) recommendations for the restructuring of Indiana's tax system; and

(2) draft legislation that embodies the recommendations described in subdivision (1).

(c) The legislative council may refer property tax replacement issues by resolution to the committee for study and research. When any matter is referred to the committee by the legislative council,

1 the committee shall make a study of the problem submitted and
 2 shall report the study results in an electronic format under
 3 IC 5-14-6 to the legislative council.

4 (d) The legislative services agency shall provide staff support to
 5 the committee.

6 (e) The committee may assign specific topics or issues for audit
 7 and evaluation by the legislative services agency.

8 Sec. 5. (a) The committee may, for the purpose of carrying out
 9 the provisions of this chapter, hold such hearings and sit and act at
 10 such times and places, and take such testimony, as the committee
 11 may deem advisable. Any member of the committee may
 12 administer oaths or affirmations to witnesses appearing before the
 13 committee.

14 (b) The committee may secure directly from any executive or
 15 administrative department, bureau, agency, board, committee,
 16 office, independent establishment or instrumentality, information,
 17 suggestions, estimates, and statistics for the purpose of this
 18 chapter. A department, bureau, agency, board, committee, office,
 19 establishment or instrumentality of any state or local governmental
 20 unit in the state of Indiana is authorized and directed to furnish
 21 such information, suggestions, estimates, and statistics directly to
 22 the committee, as the chairman of the committee may request.

23 Sec. 6. The Indiana department of state revenue shall cooperate
 24 fully in effecting the purposes of this chapter and in assisting in the
 25 accomplishment of the duties imposed by this chapter upon the
 26 committee under and pursuant to powers granted the Indiana
 27 department of state revenue by the provisions of IC 6-8.1-7-2.

28 Sec. 7. This chapter expires December 31, 2010."

29 Page 1, delete lines 7 through 17.

30 Delete pages 2 through 5.

31 Page 6, delete lines 1 through 30.

32 Page 12, delete lines 4 through 42.

33 Delete pages 13 through 66.

34 Page 67, delete lines 1 through 4, begin a new paragraph and insert:

35 "SECTION 1. IC 6-1.1-2-1 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JANUARY 1, 2009]: Sec. 1. (a) Except as
 37 otherwise provided by law and **subject to subsection (b)**, all tangible
 38 property ~~which~~ **that** is within the jurisdiction of this state on the
 39 assessment date of a year is subject to assessment and taxation for that
 40 year.

41 (b) The state or a political subdivision may not subject tangible
 42 property within the jurisdiction of this state to:

43 (1) assessment after December 31, 2010; and

44 (2) taxation after December 31, 2011.

45 SECTION 2. IC 6-1.1-4-31.5, AS ADDED BY P.L.228-2005,
 46 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 47 JANUARY 1, 2009]: Sec. 31.5. (a) As used in this section, "assessment

1 official" means any of the following:

- 2 (1) A county assessor.
- 3 (2) A township assessor.
- 4 (3) A township trustee-assessor.

5 (b) As used in this section, "department" refers to the department of
6 local government finance.

7 (c) If the department makes a determination and informs local
8 officials under section 31(c) of this chapter, the department may order
9 a state conducted assessment or reassessment in the county subject to
10 the time limitation in that subsection.

11 (d) If the department orders a state conducted assessment or
12 reassessment in a county, the department shall assume the duties of the
13 county's assessment officials. Notwithstanding sections 15 and 17 of
14 this chapter, an assessment official in a county subject to an order
15 issued under this section may not assess property or have property
16 assessed for the assessment or general reassessment. Until the state
17 conducted assessment or reassessment is completed under this section,
18 the assessment or reassessment duties of an assessment official in the
19 county are limited to providing the department or a contractor of the
20 department the support and information requested by the department
21 or the contractor.

22 (e) Before assuming the duties of a county's assessment officials, the
23 department shall transmit a copy of the department's order requiring a
24 state conducted assessment or reassessment to the county's assessment
25 officials, the county fiscal body, the county auditor, and the county
26 treasurer. Notice of the department's actions must be published one (1)
27 time in a newspaper of general circulation published in the county. The
28 department is not required to conduct a public hearing before taking
29 action under this section.

30 (f) Township and county officials in a county subject to an order
31 issued under this section shall, at the request of the department or the
32 department's contractor, make available and provide access to all:

- 33 (1) data;
- 34 (2) records;
- 35 (3) maps;
- 36 (4) parcel record cards;
- 37 (5) forms;
- 38 (6) computer software systems;
- 39 (7) computer hardware systems; and
- 40 (8) other information;

41 related to the assessment or reassessment of real property in the county.
42 The information described in this subsection must be provided at no
43 cost to the department or the contractor of the department. A failure to
44 provide information requested under this subsection constitutes a
45 failure to perform a duty related to an assessment or a general
46 reassessment and is subject to IC 6-1.1-37-2.

(g) The department may enter into a contract with a professional appraising firm to conduct an assessment or reassessment under this section. If a county or a township located in the county entered into a contract with a professional appraising firm to conduct the county's assessment or reassessment before the department orders a state conducted assessment or reassessment in the county under this section, the contract:

- (1) is as valid as if it had been entered into by the department; and
- (2) shall be treated as the contract of the department.

(h) After receiving the report of assessed values from the appraisal firm acting under a contract described in subsection (g), the department shall give notice to the taxpayer and the county assessor, by mail, of the amount of the assessment or reassessment. The notice of assessment or reassessment:

- (1) is subject to appeal by the taxpayer under section 31.7 of this chapter; and
- (2) must include a statement of the taxpayer's rights under section 31.7 of this chapter.

(i) The department shall forward a bill for services provided under a contract described in subsection (g) to the auditor of the county in which the state conducted reassessment occurs. The county shall pay the bill under the procedures prescribed by subsection (j).

(j) A county subject to an order issued under this section shall pay the cost of a contract described in subsection (g), without appropriation, from the county property reassessment fund. A contractor may periodically submit bills for partial payment of work performed under the contract. Notwithstanding any other law, a contractor is entitled to payment under this subsection for work performed under a contract if the contractor:

- (1) submits to the department a fully itemized, certified bill in the form required by IC 5-11-10-1 for the costs of the work performed under the contract;
- (2) obtains from the department:
 - (A) approval of the form and amount of the bill; and
 - (B) a certification that the billed goods and services have been received and comply with the contract; and
- (3) files with the county auditor:
 - (A) a duplicate copy of the bill submitted to the department;
 - (B) proof of the department's approval of the form and amount of the bill; and
 - (C) the department's certification that the billed goods and services have been received and comply with the contract.

The department's approval and certification of a bill under subdivision (2) shall be treated as conclusively resolving the merits of a contractor's claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and

correct without further audit ~~publish the claim as required by IC 36-2-6-3;~~ and submit the claim to the county executive. The county executive shall allow the claim, in full, as approved by the department, without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after the ~~completion of the publication requirements under IC 36-2-6-3;~~ **the date the claim is certified by the county fiscal officer if the procedures in IC 5-11-10-2 are used to approve the claim or the date the claim is placed on the claim docket under IC 36-2-6-4 if the procedures in IC 36-2-6-4 are used to approve the claim.** Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department. Compliance with this subsection constitutes compliance with IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim submitted under this subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in compliance with this subsection.

(k) Notwithstanding IC 4-13-2, a period of seven (7) days is permitted for each of the following to review and act under IC 4-13-2 on a contract of the department entered into under this section:

- (1) The commissioner of the Indiana department of administration.
- (2) The director of the budget agency.
- (3) The attorney general.

(l) If money in the county's property reassessment fund is insufficient to pay for an assessment or reassessment conducted under this section, the department may increase the tax rate and tax levy of the county's property reassessment fund to pay the cost and expenses related to the assessment or reassessment.

(m) The department or the contractor of the department shall use the land values determined under section 13.6 of this chapter for a county subject to an order issued under this section to the extent that the department or the contractor finds that the land values reflect the true tax value of land, as determined under this article and the rules of the department. If the department or the contractor finds that the land values determined for the county under section 13.6 of this chapter do not reflect the true tax value of land, the department or the contractor shall determine land values for the county that reflect the true tax value of land, as determined under this article and the rules of the department. Land values determined under this subsection shall be used to the same extent as if the land values had been determined under section 13.6 of this chapter. The department or the contractor of the department shall notify the county's assessment officials of the land values determined under this subsection.

(n) A contractor of the department may notify the department if:

(1) a county auditor fails to:

(A) certify the contractor's bill;

(B) publish the contractor's claim;

(C) submit the contractor's claim to the county executive; or

(D) issue a warrant or check for payment of the contractor's bill;

as required by subsection (j) at the county auditor's first legal opportunity to do so;

(2) a county executive fails to allow the contractor's claim as legally required by subsection (j) at the county executive's first legal opportunity to do so; or

(3) a person or an entity authorized to act on behalf of the county takes or fails to take an action, including failure to request an appropriation, and that action or failure to act delays or halts progress under this section for payment of the contractor's bill.

(o) The department, upon receiving notice under subsection (n) from a contractor of the department, shall:

(1) verify the accuracy of the contractor's assertion in the notice that:

(A) a failure occurred as described in subsection (n)(1) or (n)(2); or

(B) a person or an entity acted or failed to act as described in subsection (n)(3); and

(2) provide to the treasurer of state the department's approval under subsection (j)(2)(A) of the contractor's bill with respect to which the contractor gave notice under subsection (n).

(p) Upon receipt of the department's approval of a contractor's bill under subsection (o), the treasurer of state shall pay the contractor the amount of the bill approved by the department from money in the possession of the state that would otherwise be available for distribution to the county, including distributions from the property tax replacement fund or distribution of admissions taxes or wagering taxes.

(q) The treasurer of state shall withhold from the money that would be distributed under IC 4-33-12-6, IC 4-33-13-5, IC 6-1.1-21-4(b), or any other law to a county described in a notice provided under subsection (n) the amount of a payment made by the treasurer of state to the contractor of the department under subsection (p). Money shall be withheld first from the money payable to the county under IC 6-1.1-21-4(b) and then from all other sources payable to the county.

(r) Compliance with subsections (n) through (q) constitutes compliance with IC 5-11-10.

(s) IC 5-11-10-1.6(d) applies to the treasurer of state with respect to the payment made in compliance with subsections (n) through (q). This subsection and subsections (n) through (q) must be interpreted liberally so that the state shall, to the extent legally valid, ensure that the

- 1 contractual obligations of a county subject to this section are paid.
- 2 Nothing in this section shall be construed to create a debt of the state.
- 3 (t) The provisions of this section are severable as provided in
- 4 IC 1-1-1-8(b).".
- 5 Page 71, delete lines 23 through 42.
- 6 Delete page 72 through 78.
- 7 Page 79, delete lines 1 through 27.
- 8 Page 81, delete lines 13 through 42.
- 9 Delete page 82 through 87.
- 10 Page 88, delete lines 1 through 5.
- 11 Page 88, delete lines 25 through 42.
- 12 Delete pages 89 through 91.
- 13 Page 92, delete lines 1 through 34.
- 14 Page 125, delete lines 12 through 42.
- 15 Delete pages 126 through 133.
- 16 Page 134, delete lines 1 through 41.
- 17 Page 135, delete lines 15 through 42.
- 18 Delete pages 136 through 143.
- 19 Page 144, delete lines 1 through 36.
- 20 Page 145, delete lines 2 through 15.
- 21 Page 145, delete lines 39 through 42.
- 22 Delete pages 146 through 149.
- 23 Page 150, delete lines 1 through 41.
- 24 Page 151, delete lines 14 through 42.
- 25 Page 152, delete lines 1 through 20.
- 26 Page 153, delete lines 7 through 42.
- 27 Delete pages 154 through 157.
- 28 Page 158, delete lines 1 through 35.
- 29 Page 164, line 42, reset in roman "Except as provided in subsection
- 30 (k),".
- 31 Page 164, line 42, delete "The" and insert "the".
- 32 Page 165, line 1, reset in roman "township".
- 33 Page 165, line 1, delete "county".
- 34 Page 165, line 5, reset in roman "township".
- 35 Page 165, line 5, delete "county".
- 36 Page 165, line 7, reset in roman "township" and insert ".".
- 37 Page 165, line 7, delete "county".
- 38 Page 165, reset in roman lines 8 through 10.
- 39 Page 212, delete lines 12 through 42.
- 40 Delete pages 213 through 215.
- 41 Page 217, delete lines 32 through 42.
- 42 Delete page 218.
- 43 Page 219, delete lines 1 through 7.
- 44 Page 219, delete lines 30 through 42.
- 45 Delete pages 220 through 243.
- 46 Page 244, delete lines 1 through 2.

- 1 Page 244, delete lines 27 through 42.
- 2 Page 245, delete lines 1 through 13.
- 3 Renumber all SECTIONS consecutively.
(Reference is to HB 1001 as printed January 17, 2008.)

Representative Avery